



Office of the Ohio Consumers' Counsel

November 21, 2018

Barcy McNeal, Secretary
Public Utilities Commission of Ohio
180 East Broad Street, 11th Floor
Columbus, OH 43215

Re: In the Matter of the Application of Vectren Energy Delivery Ohio, Inc., for Approval of an Alternative Rate Plan – 18-0298-GA-AIR et al.

Dear Secretary McNeal,

On November 7, 2018, the Office of the Ohio Consumers' Counsel ("OCC") filed the Direct Testimony of Colleen Shutrump in the above-referenced proceedings. Today OCC discovered that Exhibits 1 and 2 to Ms. Shutrump's testimony were inadvertently omitted from the filing.

The omitted Exhibits are being filed with this letter. The documents originated with Vectren and were shared with Vectren's Energy Efficiency Collaborative Members, many of whom are participating in this case.

Please file the enclosed Exhibits, which are for Ms. Shutrump's testimony.

Thank you for your consideration. If you have questions, please feel free to contact me, either by phone (614-466-1291) or e-mail (william.michael@occ.ohio.gov).

Respectfully submitted,

/s/ William J. Michael

William J. Michael
Assistant Consumers' Counsel
(614) 466-1291

cc: Parties of Record

September 2018 Scorecard - Vectren Ohio

CLS Exhibit 1



	Measures Implemented				Gross CCF Savings				Program Expenditures			
	Current Month (September)	YTD	Planning Goal	% to Goal	Current Month (September)	YTD	Planning Goal	% to Goal	Current Month (September)	YTD	Planning Goal	% to Goal
Residential Programs												
Residential Prescriptive Program												
Furnace 95%	145	1,235	2,200	56%	17,502	149,065	265,540	56%				
Furnace 97%	56	368	500	74%	8,469	55,656	75,620	74%				
New Construction Furnace 97%	0	0	15	0%	0	0	1,685	0%				
Boiler 95%	1	25	30	83%	119	3,403	5,257	65%				
Wi-Fi (Smart) Thermostat	95	800	7,000	26%	6,401	53,904	471,660	26%				
Wi-Fi (Smart) Thermostat Online Store	17	1,031			1,145	69,469						
Wi-Fi (Basic) Thermostat	85	684	1,500	46%	4,895	39,392	86,385	46%				
Programable Thermostat C/O 2017	0	52	0	0%	0	1,722	0	0%				
Furnace Tune Up & Tstat *	40	40	0	0%	2,634	2,634	0	0%				
Residential Prescriptive Subtotal	439	4,235	11,245	38%	41,166	375,244	906,146	41%	\$ 267,626	\$ 1,026,554	\$ 1,492,335	69%
Residential Home Insulation												
Wall Insulation	11	136	248	55%	2,543	31,441	57,218	55%				
Attic Insulation	31	511	523	98%	3,870	65,537	67,455	97%				
Air Sealing	35	562	545	103%	3,560	57,155	55,374	103%				
Direct Install Measures C/O 2017	0	4	0	0%	0	236	0	0%				
Residential Home Insulation	77	1,213	1,316	92%	9,973	154,369	180,047	86%	\$ 67,399	\$ 829,411	\$ 995,703	83%
Schools	5,397	5,397	9,000	60%	59,475	59,475	99,180	60%	\$ 48,774	\$ 193,449	\$ 302,950	64%
Total Residential	5,913	10,845	21,561	50%	110,614	589,089	1,185,373	50%	\$ 383,799	\$ 2,049,414	\$ 2,790,988	73%
Commercial Programs												
Commercial Prescriptive Program												
Furnace 95%	1	72	75	96%	157	8,237	13,095	63%				
Furnace 97%	0	0	5	0%	0	0	953	0%				
Boiler - Commercial Prescriptive	0	7	25	28%	0	11,043	20,080	55%				
Boiler Tune-Up	0	0	20	0%	0	0	3,300	0%				
Wi-Fi (Smart) Thermostat	2	8	30	110%	98	392	1,471	110%				
Wi-Fi (Smart) Thermostat Online Store	0	25			0	1,226						
Wi-Fi (Basic) Thermostat	0	3	50	6%	0	125	2,083	6%				
Steam Cooker New	0	0	3	0%	0	0	444	0%				
Convection Oven New	0	0	5	0%	0	0	1,315	0%				
Gas Fryer New	0	0	3	0%	0	0	1,515	0%				
Unit Heater - Condensing <300 MBH New	0	0	3	0%	0	0	798	0%				
Infrared Heater New	0	0	5	0%	0	0	1,580	0%				
Steam Traps *	74	74	0	0%	37,800	37,800	0	0%				
Commercial Prescriptive Subtotal	77	189	224	84%	38,055	58,822	46,633	126%	\$ 34,064	\$ 136,384	\$ 184,253	74%

September 2018 Scorecard - Vectren Ohio

CLS Exhibit 1



	Measures Implemented				Gross CCF Savings				Program Expenditures			
	Current Month (September)	YTD	Planning Goal	% to Goal	Current Month (September)	YTD	Planning Goal	% to Goal	Current Month (September)	YTD	Planning Goal	% to Goal
Commercial Custom												
< 7500 Therms	6	6	4	150%	15,972	15,972	10,800	148%				
>=7500 Therms	2	2	2	100%	54,657	54,657	21,000	260%				
Commercial Custom	8	8	6	133%	70,629	70,629	31,800	222%	\$ 21,172	\$ 51,987	\$ 109,799	47%
Total Commercial	85	197	230	86%	108,684	129,451	78,433	165%	\$ 55,236	\$ 188,371	\$ 294,052	64%
Total Residential & Commercial	5,998	11,042	21,791	51%	219,298	718,540	1,263,806	57%	\$ 439,035	\$ 2,237,785	\$ 3,085,040	73%
Program Outreach and Education									\$ 9,561	\$ 115,386	\$ 325,000	36%
Online Tool Licensing Fees									\$ -	\$ 69,851	\$ 69,851	100%
Portfolio Total	5,998	11,042	21,791	51%	219,298	718,540	1,263,806	57%	\$ 448,595	\$ 2,423,022	\$ 3,479,891	70%

* Denotes Mid-Year Programs

	Homes Weatherized				Gross CCF Savings				Program Expenditures			
	Current Month (September)	YTD	Planning Goal	% to Goal	Current Month (September)	YTD	Planning Goal	% to Goal	Current Month (September)	YTD	Planning Goal	% to Goal
VWP I	10	195	255	76%	1,940	37,830	49,470	76%	\$ 65,708	\$ 928,027	\$ 1,162,553	80%
VWP II	10	74	139	53%	2,080	15,392	28,912	53%	\$ 89,741	\$ 608,825	\$ 1,036,003	59%
Total	20	269	394	68%	4,020	53,222	78,382	68%	\$ 155,449	\$ 1,536,851	\$ 2,198,556	70%



Vectren Energy Delivery of Ohio DSM Program Year 9 Annual Report January 2017 – December 2017

Prepared by:
Vectren Energy Delivery of Ohio

Submitted on:
March 1, 2018

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EXECUTIVE SUMMARY

Background

Vectren Energy Delivery of Ohio, Inc. (VEDO) launched a long-term natural gas demand-side management portfolio (DSM) on April 01, 2009 as approved in the January 2009 rate order in case 07-1080-GA-AIR, et al. The approved program includes \$2.9M in annual funding for DSM programs and an additional \$2.1M for low-income weatherization programs. During 2009, the VEDO DSM Collaborative conducted a market potential analysis and developed a multi-year action plan through a sequential set of planning steps aimed at taking the most current industry and market information to screen and prioritize the relevant opportunities based on their costs and benefits.

VEDO's final 2017 Operating Plan was submitted to the VEDO Collaborative on March 6, 2017. The DSM portfolio is administered by VEDO with the assistance of a collaborative established in case 05-1444-GA-UNC. The VEDO Collaborative consists of representatives of Vectren, the Public Utilities Commission of Ohio (PUCO), the Office of the Ohio Consumers' Counsel (OCC), the Ohio Partnership for Affordable Energy (OPAE) and others.

2017 Portfolio Results

In 2017, VEDO's Year 9 portfolio of DSM programs finished at 115% of its savings goal, or 1,072,185 Ccfs. The main driver in exceeding the savings goal was strong performance in the Residential Prescriptive Program, including higher than forecasted participation for the Wi-Fi (Smart) Thermostat measure.

The Year 9 budget also finished the year favorably at 85% to budget, or \$2,862,023. Tables 1 and 2 below provide the overall results of the DSM portfolio of programs.

Table 1: DSM Portfolio Results

	Actual	Goal	% to Goal
Measures Implemented*	19,997	16,381	122%
Incentives Expenditures	\$1,480,462	\$1,564,603	95%
Ccf Savings	1,072,185	932,666	115%
Portfolio Budget	\$2,862,023	\$3,353,745	85%

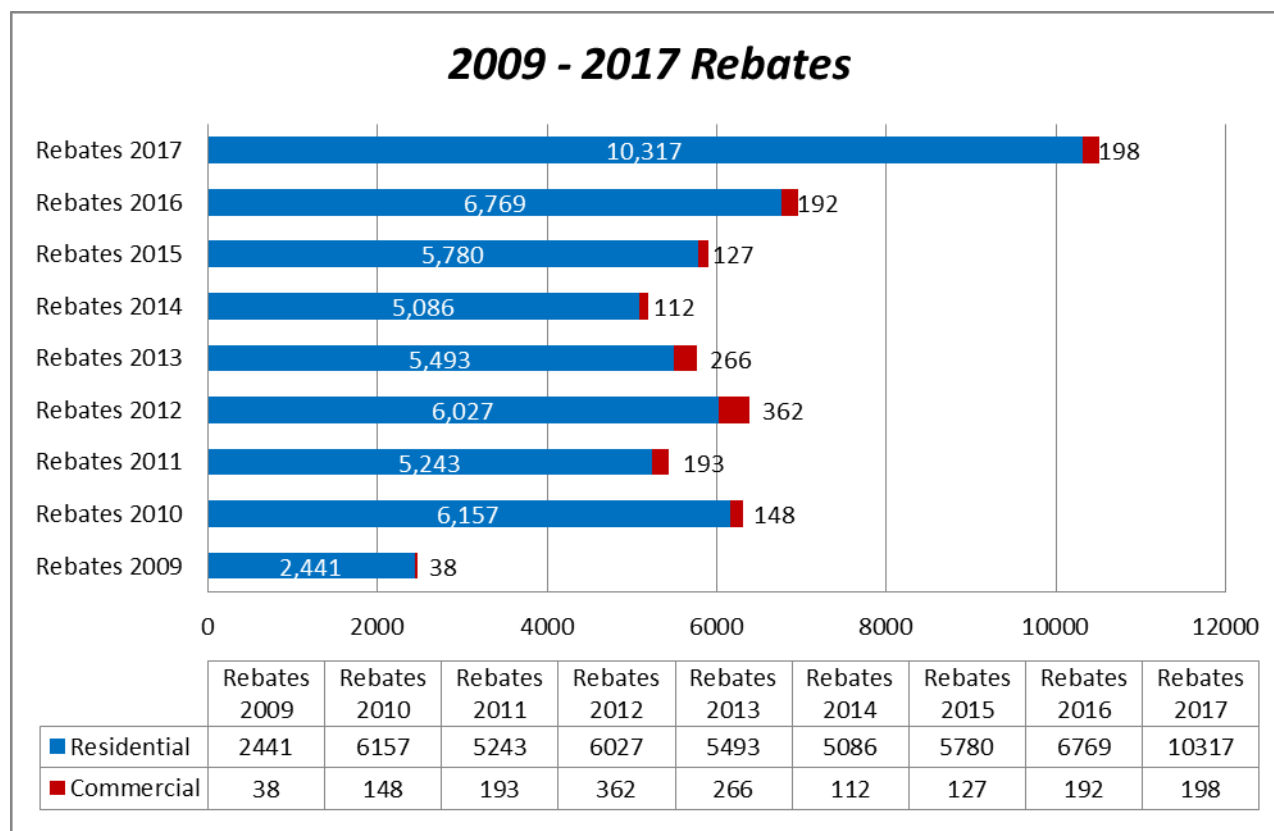
*Rebates plus applicable program participants

Table 2: 2017 Planned vs. Actual Budget and Savings

Program Year 9 Program Summary (January 1, 2017 - December 31, 2017)						
	Budgeted	Actual Expense	Variance	Planned Ccf Savings	Actual Ccf Savings	Difference
DSM Programs						
Residential Prescriptive Incentives	\$1,320,562	\$1,473,606	\$153,044	600,352	816,051	215,699
Residential Home Insulation and Air Sealing	\$1,040,438	\$809,897	(\$230,541)	160,523	98,074	(62,449)
School Education Program	\$330,522	\$293,593	(\$36,929)	99,180	100,976	1,796
Commercial Prescriptives Incentives	\$188,887	\$139,309	(\$49,578)	47,800	42,585	(5,216)
Commercial Custom Program	\$84,336	\$43,256	(\$41,080)	24,810	14,499	(10,311)
Program Outreach	\$325,000	\$66,362	(\$258,638)	-	-	-
Online Tool Licensing Fees	\$64,000	\$36,000	(\$28,000)	-	-	-
DSM Portfolio Total - 2017	\$3,353,745	\$2,862,023	(\$491,722)	932,666	1,072,185	139,519
Low Income Weatherization (VWP)						
VWP I	\$1,103,304	\$1,040,751	(\$62,553)	43,940	52,780	8,840
VWP II	\$1,000,740	\$964,736	(\$36,003)	44,022	43,065	(957)
Low Income Weatherization Subtotal	\$2,104,044	\$2,005,487	(\$98,556)	87,962	95,845	7,883
*Budget includes 2016 carryover funding.						
Total - DSM and VWP	\$5,457,789	\$4,867,510	(\$590,278)	1,020,628	1,168,030	147,402

Figure 1 below shows a comparison of the number of prescriptive rebates paid to all participating customers by month for 2009 – 2017. Note: Program Year 1 ran from April 2009 through December 2009.

Figure 1: 2009 - 2017 Residential and Commercial Rebates



PROGRAM RESULTS

DSM Programs

1. Residential Prescriptive Rebate Program

Program Description: The Residential Prescriptive Rebate Program was designed to influence customer purchasing decisions when replacing existing or installing new equipment. Financial incentives are designed to encourage customers to purchase high efficiency products that would have otherwise purchased standard efficiency products in the absence of the program. The program fosters sustainable improvements in the local VEDO market for these products. A combination of market push and pull strategies that stimulate demand from customers while simultaneously increasing trade ally investment in stocking and promoting targeted products was utilized.

The program was intended to increase demand by educating customers about the energy and money saving benefits associated with efficient products via outreach and education, website and equipping trade allies to communicate them to customers. Financial incentives (i.e. mail-in rebates) averaging in the range of 20% to 30% of the incremental cost to purchase high efficiency products helped to address customer objections to paying higher prices than standard efficiency products.

Table 3: Residential Prescriptive Rebate Program Offering

Measure	Incentive Amount
Natural Gas Furnace 95%	\$150
Natural Gas Furnace 97%	\$400
Natural Gas Furnace 97% - New Construction	\$400
Natural Gas Boiler 95%	\$500
Wi-Fi (smart) Thermostat	\$75
Wi-Fi (basic) Thermostat	\$50
Programmable Thermostat	\$10

Program Outreach: The residential prescriptive rebates targeted single-family residential homes and multi-family properties. Marketing for the Residential Prescriptive Rebate program relied on networking with trade allies, mass media messages to consumers and website tools and promotions.

- a. **Trade Ally Targeted Marketing:** VEDO reached out to trade allies with direct mailings and personal contacts. Efforts included extensive trade ally communications via direct mail and in-person contacts by VEDO staff. The program specific marketing approach was focused on networking with trade allies and was aided by a general awareness customer outreach campaign. On-site visits, sales trainings and association presentations took place throughout the program year.

- b. Customer Targeted Marketing:** Activities included outreach and education via bill inserts and mass media education that provided customers with low cost energy saving tips, while increasing awareness of rebate incentive offers. Information regarding the availability of rebate incentives, program requirements, rebate claim forms, and product fact sheets were available through the Vectren Energy Efficiency webpage. This resource served both customers and trade allies seeking information and program materials. The online rebate application continued to be used throughout 2017.

Program Results: The Residential Prescriptive program achieved 155% of the participation goal or 10,317 rebates provided to customers and 136% of planned savings, or 600,352 Ccfs. Stronger than forecasted results for Wi-Fi (smart) thermostats rebates were responsible for the increased participation. Table 4 below lists the 2017 performance by residential prescriptive measure.

Table 4: Residential Program Results

Measure	Measure			Ccf Savings		
	Actual	Goal	%	Actual	Goal	%
Furnace 95%	2,080	1,900	109%	251,056	229,330	109%
Furnace 97%	477	1,000	48%	72,141	151,240	48%
New Construction Furnace >97%	3	30	10%	337	3,369	10%
Boiler Replacement >95%	31	30	103%	4,096	5,257	78%
Wi-Fi (Smart) Enabled Thermostat	5,876	1,200	490%	395,925	80,856	490%
Wi-Fi (Basic) Enabled Thermostat	1,276	1,975	65%	73,485	113,740	65%
Programmable Thermostat	574	500	115%	19,011	16,560	115%
Residential Prescriptive Total	10,317	6,635	155%	816,051	600,352	136%

2. Residential Home Insulation and Air Sealing Program

Program Description: VEDO continued to offer the Home Insulation and Air Sealing Program in 2017. This trade ally driven market approach to comprehensive energy efficiency projects performed significantly well. Insulation contractors were recruited to offer and provide recommended shell improvements to their existing customers, and the program provided training and supervision on air sealing which may be unfamiliar to insulation contractors.

The program offered cash incentives to help customers pay for the improvement work and encouraged customers to move forward and install comprehensive improvement packages. There were two major measure categories: 1) air sealing (including the closure of open flues) and 2) insulation. It was suggested as a part of the program that air sealing be required as a measure before insulation was performed. To make it more affordable for customers to participate in the program, the rebate amount was deducted from the total cost of the work scope and was paid directly to the participating contractor once the project was completed.

Targeted training to participating contractors ensured a thorough understanding of both the program procedures and the application of sound building science that resulted in the installation of effective energy measures. BPI (Building Performance Institute) certification was a program requirement to guarantee safety and proper installation and ensure the success of the program.

Direct install measures were offered as an add-on service and was marketed as a ‘\$50 special’ to customers. The direct install package included:

- 1 Wi-Fi thermostat
- 6 feet of pipe wrap
- Up to two (2) energy efficient showerheads
- Up to two (2) bath aerators
- One (1) kitchen aerator

Program Outreach: Marketing for this program strived to reach eligible customers by coordinating with VEDO’s existing marketing strategy for energy efficiency programs and identifying and reaching out to trade allies with a customer base that would be receptive to the program. Areas of focus included mass media education, direct mail/e-mail, press releases, bill inserts, print advertising and digital communications.

Program Results: The overall program achieved 61% of the Ccf savings goal. The program was impacted by insulation contractors focusing on new construction instead of upgrading insulation in existing homes. Table 5 shows the results from the 2017 Home Insulation Program.

Table 5: Residential Home Insulation Program Results

Measure	Measure			Ccf Savings		
	Actual	Goal	%	Actual	Goal	%
Air Sealing and Insulation Jobs	315	550	57%	95,264	155,573	61%
Direct Install Measures	42	83	51%	2,810	4,950	57%
Home Insulation Program	315	550	57%	98,074	160,523	61%

3. School-Based Education Program

Program Description: The School-Based Education Program was designed to facilitate students’ and teachers’ understanding of the science of energy and its efficient use in order to empower the next generation of energy consumers. By targeting educational efforts to 5th-12th grade students attending schools in the VEDO service territory, their families become involved in the program through a “take-home” kit that works to raise awareness about how individual actions and low-cost measures can provide significant reductions in energy and water consumption. The program is very effective in teaching students, families and teachers about how to use energy efficient devices and adopt conservation behaviors. By including a “take-home” kit valuable information is gathered, measuring the adoption and installation of the measures which result in energy savings. All educational materials used in the program correlated to Ohio science and social studies academic standards.

Program Outreach: The delivery organization, The Ohio Energy Project (OEP), coordinated with 84 schools in 42 districts to implement the program in the VEDO service area. OEP communicated directly with schools through letters and electronic communication systems utilized specifically by teachers or education administrators. Any schools within the Vectren and DP&L service territory were encouraged to participate in the program.

School-Based Education Program Results: In 2017, VEDO continued to partner with Dayton Power & Light (DP&L) for the School Education Program and OEP again served as the School Education Program vendor. OEP provided *Be E³ Smart* classroom curriculum and training to 133 western Ohio educators. These Professional Development workshops were conducted in the fall of 2017 and facilitated by OEP. Each participating teacher received a Teacher Kit containing all materials needed to teach the program curriculum. The *Be E³ Smart* program provided 9,163 energy savings kits to students and teachers September-December 2017.

Table 4: School-Based Education Program Results

Measure	Measure			Ccf Savings		
	Actual	Goal	%	Actual	Goal	%
School Education Program	9,163	9,000	102%	100,976	99,180	102%

4. Commercial Prescriptive Rebate Program

Program Description: Similar to the Residential Prescriptive program, the Commercial Prescriptive Rebate Program is designed to influence commercial customers to install energy efficient technologies. Financial incentives (mail-in rebates) are intended to encourage customers to purchase high efficiency products that would have otherwise purchased standard efficiency products in the absence of the program. The program fosters sustainable improvements in the local VEDO market for these products. A combination of market push and pull strategies that stimulate demand from customers while simultaneously increasing trade ally investment in stocking and promoting targeted products was utilized. The program was intended to increase demand by educating customers about the energy and money saving benefits associated with efficient products via outreach and education, website and equipping trade allies to communicate them to customers. Financial incentives (i.e. mail-in rebates) averaging in the range of 20% to 30% of the incremental cost to purchase high efficiency products helped to address customer objections to paying higher prices than standard efficiency products. Table 7 details the commercial rebate program offerings from 2017.

Table 7: Commercial Prescriptive Rebate Program Offering

Measure	Incentive Amount
Natural Gas Commercial Furnace - 95%	\$300
Natural Gas Commercial Furnace - 97%	\$400
Natural Gas Commercial Boiler - 90%	Up to \$5,000
Natural Gas Boiler Tune-Up	\$250
Wi-Fi (Smart) Enabled Thermostat	\$75
Wi-Fi (Basic) Enabled Thermostat	\$50
Steam Traps - Low Pressure	\$0
Steam Traps - Dry Cleaners	\$0

Program Outreach: Commercial prescriptive rebates targeted commercial customers in rate classes 320, 321 and 325, defined as those with annual usage of less than 150,000 Ccfs. Marketing for the Commercial Prescriptive Rebate program relied on networking with trade allies, mass media messages to consumers and businesses and website tools and promotions.

- a. **Trade Ally Targeted Marketing:** VEDO reached out to trade allies with direct mailings and personal contacts. Efforts included extensive trade ally communications via direct mail and in-person contacts by VEDO staff. The program specific marketing approach was focused on networking with trade allies and was aided by a general awareness customer outreach campaign. On-site visits, sales trainings and association presentations took place throughout the program year.
- b. **Customer Targeted Marketing:** Activities included outreach and education via bill inserts and mass media education that provided customers with low cost energy saving tips (e.g.

program your thermostat, turn down your water heater temperature), while increasing awareness of rebate incentive offers. Information regarding the availability of rebate incentives, program requirements, rebate claim forms, and product fact sheets were available through the Vectren Energy Efficiency webpage. This resource served both customers and trade allies seeking information and program materials. In addition, Vectren's Energy Efficiency call center took direct calls and fielded referrals from the company's general call center. The Energy Efficiency call center also served as a resource for interested customers for available information, rebate inquiries and assistance with the on-line energy audit tool. A toll-free number was provided on all outreach and education materials.

Commercial Prescriptive Program Results: The Commercial Prescriptive program achieved 104% of its participation goal, or 198 rebates provided to customers and 89% of its planned Ccf savings, or 42,585 Ccfs. The 95% Natural Gas Furnace performed very well at 98% of the savings goal; the Wi-Fi (smart) thermostats performed exceptionally well at 360% to planned savings goal, or 1,765 Ccfs. Table 8 below outlines the Commercial Prescriptive Program Results for 2017.

Table 8: Commercial Prescriptive Program Results

Measure	Measure			Ccf Savings		
	Actual	Goal	%	Actual	Goal	%
Natural Gas Commercial Furnace - 95%	98	70	140%	12,018	12,222	98%
Natural Gas Commercial Furnace - 97%	0	7	0%	0	1,334	0%
Natural Gas Commercial Boiler - 90%	18	33	55%	16,016	26,506	60%
Natural Gas Boiler Tune-Up	1	20	5%	628	5,166	12%
Wi-Fi (Smart) Enabled Thermostat	36	10	360%	1,765	490	360%
Wi-Fi (Basic) Enabled Thermostat	20	50	40%	833	2,083	40%
Steam Traps - Dry Cleaners * 2016 Carry Over	25	0	0%	11,325	0	0%
Commercial Prescriptive Total	198	190	104%	42,585	47,801	89%

5. Commercial Custom Incentive Program

Program Description: The Commercial Custom Incentive Program will affect the purchase and installation of efficient technologies or implementation of process improvements by working directly with (1) key end-use customers, and (2) market providers to identify potential energy savings projects, analyze the economics of each project and complete an incentive application.

Program Outreach: VEDO worked to generate awareness of the Commercial Custom and the Prescriptive Incentive offerings through direct contacts with key customers and market providers (e.g. mechanical contractors). This strategy for prospecting for projects is highly dependent upon referrals and networking with trade allies and utility staff to identify projects. Outreach efforts included in-person visits to customers and market providers, trade association meetings, a targeted “testimonial” media campaign and networking.

Program Results: The program achieved 67% of the participation goal in 2017 and achieved 58% of the savings goal. Of the 4 Commercial Custom projects in 2017, 3 were <7500Ccf, which led to a lower savings per project than what was originally forecasted.

Table 5: Commercial Custom Incentive Program Results

Measure	Measure			Ccf Savings		
	Actual	Goal	%	Actual	Goal	%
<7500 Ccfs	3	4	75%	5,086	16,540	31%
≥7500 Ccfs	1	2	50%	9,413	8,270	114%
Commercial Custom Total	4	6	67%	14,499	24,810	58%

Low Income Weatherization Program

1. VWP I

Program Description: The Low Income Vectren Weatherization Program (VWP), formally known as Teaching Energy Efficiency Measures Program (TEEM) has two tiers, VWP I and VWP II. VWP I was initiated in the autumn of 2005 and was administered by the Community Action Partnership of the Greater Dayton Area (Dayton CAP). Dayton CAP subcontracted with three smaller CAP agencies in order to deliver services to all of VEDO's service territory. VWP I is funded by VEDO through base rates at \$1.1 million annually, established originally by stipulated agreement in Case No. 04-571-GA-AIR and continued by agreement in Case No. 07-1080-GA-AIR. Eligible customers were those with household income that falls within 200% of poverty, as defined by the Federal Poverty Guidelines. The program included measures and protocols prescribed by the State of Ohio Home Weatherization Assistance Program (HWAP). Prior to the American Recovery and Reinvestment Act (ARRA), funds available through VWP I were leveraged with other available funds for customers whose incomes were up to 150% of poverty, while funds for customers whose incomes ranged between 151% and 200% were solely from funds approved for VWP I.

VWP I Results: Through an effective partnership with Dayton CAP, VWP I experienced a successful 2017. The program completed 203 weatherizations of the planned 169 homes. Combined bi-weekly conference calls with VEDO and detailed attention to the VWP I program resulted in Dayton CAP meeting their spending goals. Tables 10 and 11 below describe the budget and cost details for VWP I in 2017.

Table 60: 2017 VWP I Budget and Expenses

VWP I Budget	Amount
Annual Budget 2017 VWP I	\$1,100,000
2016 Carry-over VWP I	\$3,304
2017 Total Budget	\$1,103,304

VWP I Expenses	Amount
Weatherization and Admin (Jan - Dec 2017)	\$969,491
Inspection Work completed	\$8,025
VEDO Expenses (labor)	\$63,235
Total 2017 Expenses	\$1,040,751
2017 VWP I Variance	\$62,553

Table 7: 2017 VWPI Home Weatherization Results

VWP I (Jobs 0-200%)	
Total Planned Premises - 2017	169
Completed Premises*	203
Average Cost per Premise	\$4,290

* The information above is for Dayton CAP weatherization work completed Jan 2017 - Dec 2017

2. VWP II

Program Description: VWP II was initiated in 2007 and is also administered through Dayton CAP. Eligible customers are those who fall within 201% and 300% of poverty, as defined by the Federal Poverty Guidelines. VWP II was a result of Case No. 05-1444-GA-UNC and initially funded by VEDO with \$2 Million. This original \$2M funding was exhausted in 2009. The Ohio Collaborative made the decision to extend the VWP II program and it will be funded annually with \$1 million from the Energy Efficiency Funding Rider (EEFR). Unlike prior years, the VWP II program returned to historical value of \$1 million in funding in the 2012 program year.

Both VWP programs focus on shell measures such as insulation and air sealing, but also include replacement of non-functioning natural gas furnaces and water heaters, and minor repairs intended to increase the health and safety of the occupants of the home.

VWP II Results: VWP II also experienced a successful 2017. The program completed 135 weatherizations of the planned 138 homes. Tables 12 and 13 below describe the 2017 budget and cost details.

Table 82: 2017 VWP II Budget and Expenses

VWP II Budget	Amount
Annual Budget 2017 VWP II	\$1,000,000
2016 Carry-over VWP II	\$740
2017 Total Budget	\$1,000,740

VWP II Expenses	Amount
Weatherization and Admin (Jan - Dec 2017)	\$906,398
Inspection Work completed	\$6,975
VEDO Expenses (labor)	\$51,363
Total 2017 Expenses	\$964,736
2017 VWP II Variance	\$36,003

Table 93: 2017 VWP II Home Weatherization Results

VWP II (Jobs 201-300%)	
Total Planned Premises - 2017	138
Completed Premises*	135
Average Cost per Premise	\$5,864

* The information above is for Dayton CAP weatherization work completed Jan 2017 - Dec 2017

Program Outreach: VEDO's 2017 marketing plan continued to utilize bill inserts to promote the VWP I and VWP II programs. Other outreach is performed by Dayton CAP and includes the distribution of quarterly newsletters, along with presentations at community events, faith-based organizations and distribution of brochures and other program collateral. VWP I program enjoys a steady participation and customer demand required that Dayton CAP maintain a waiting list of prospective clients in 2017.

Quality Assurance: VEDO contracts with an independent inspector to perform quality assurance inspections for the VWP programs. This ensures that weatherization service work is completed to the highest standards and that no safety or health hazards exist due to the work performed through the programs. For VWP I, on-site quality checks are performed for 5% of the jobs completed for customers falling into the 0-150% federal poverty income range and on 15% of the jobs in the 151-200% federal poverty income level range. For VWP II, on-site quality assurance checks are performed on 15% of the homes weatherized through the program. For both VWP I and VWP II, desk reviews are performed on 60% of the homes weatherized through these programs. Desk reviews consist of verification that the appropriate paper work is filed, that required city inspections on furnace and water heater work are performed, and that proper permits are pulled.

For homes weatherized in 2017, 5% on-site checks were performed for VWP I homes that fall within 0-150% of the federal poverty guidelines, 16% on-site checks were performed for VWP I homes that fall within 151-200% of the federal poverty guidelines, 15% on-site checks were performed for VWP II, and 75% desk reviews were performed for both VWP programs combined.

SUPPORT SERVICES

1. Customer Outreach

In support of VEDO's natural energy efficiency programs for residential and commercial gas customers, mass media was used for outreach including TV, radio, print and digital channels. Media for 2017 ran on digital channels throughout the year. We produced new commercials and online ads in 2017. The new campaign uses captures everyday customers making "nice saves" as they prevent near misses while making "nicer saves" by performing energy-efficient acts. The new campaign features program offerings as well as energy tips. Accompanying these media avenues were bill inserts, social media posts, news releases and electronic newsletters. Digital channels included YouTube, Facebook, Twitter, Weather.com, Pandora and Hulu.

Additional outreach and education assisted the mass media efforts for programs with a targeted qualification standard, all the while increasing awareness of incentive offers. These efforts, coupled with program material (rebate application forms, program requirements and limited time offerings) and customer education (bill inserts, fact sheets and energy efficiency tips) provide comprehensive outreach to VEDO's customers. This material is located on the Vectren Energy Efficiency webpage within Vectren.com and is accessible to customers always. The website underwent a complete redesign in 2017 which makes it responsive to all mobile devices as well as laptop and desktop computers. Content was refreshed and navigation structure was improved. Promotional web banners are created and housed on the landing page of Vectren.com to make access to information as easy as possible. This meets the information demand for both residential and commercial customers, including trade allies.

2. Energy Efficiency Advisory Team

The Energy Efficiency Advisory Team fields referrals from the company's general call center and serves as a resource for interested customers. Energy Efficiency specialists answer customer inquiries by phone, e-mail and conservation requests posted to the vectren.com website. The hours of operation are from 8am-5pm EST, Monday – Friday, excluding holidays. The Energy Efficiency Advisory Team toll-free hotline (866-240-8476) is included on all paid media and program literature.

Direct calls are initial contacts from customers or market providers coming through the dedicated toll free number printed on all Vectren Energy Efficiency materials. Transferred calls are customers that have spoken with Vectren Contact Center representative and have either asked, or been offered a transfer to a representative trained to respond to energy efficiency questions. These customer communication channels are support mechanisms for Ohio customers to receive the following

services:

- Provide general guidance on energy saving behaviors and investments using customer specific billing data via the online bill analyzer and energy audit.
- Respond to questions about the residential and general service programs.
- Facilitate the completion of and provide a hard copy report from the online audit tool for customers without internet access or who have difficulty understanding how to use the tool.
- Respond to inquiries about rebate fulfillment status.

In an effort to ensure that the Energy Efficiency Advisors are providing the most appropriate and best value-added service to VEDO customers, Vectren began a continuous improvement and training effort in 2014. This effort focuses on preparing these representatives with resources, training, tools and tips to be able to provide a more consultative response and customized recommendations to customers who are seeking information and solutions regarding energy efficiency. This continuous improvement effort will continue in 2017.

Table 14 below provides a summary of the 2017 volume of calls handled by the Vectren Energy Efficiency Advisory Team.

Table 104: Energy Efficiency Advisory Team Contacts

Call Type	YTD
Direct calls	3,188
Transferred calls	1,872
Total calls	5,060

3. Online Energy Audit Tool

The Online Energy Audit tool is a customer engagement and messaging tool which uses actual billing data from a customer's energy bills to pinpoint ways to save energy in their home. Data collected drives account messaging through providing tips and rebates relevant to that customer's situation. Additionally, data collected from the online energy audit is used to validate neighbor comparison data which illustrates how the customer's monthly energy use compares to their neighbors and is designed to inspire customers to try and save more energy than their efficient neighbors. This tool provides the online ability and means to communicate, cross promote, and educate customers about energy efficiency and Vectren's energy efficiency programs. The Online Energy Audit tool provides tools and messaging to educate customers and provide suggestions, tips, and advice on energy usage. Costs for this tool is shared across Vectren's Indiana Gas DSM, Electric DSM and Vectren Energy Delivery of Ohio, Inc. (VEDO) DSM portfolios.

VEDO's portion for the Program Expenditure for the Online Audit tool was \$36 K.

APPENDIX A - VEDO DSM 2017 SCORECARD

Table 115: January 2017– December 2017 Results

December 2017 Scorecard - Vectren Ohio



	Measures Implemented				Gross CCF Savings				Program Expenditures			
	Current Month (December)	YTD	Planning Goal	% to Goal	Current Month (December)	YTD	Planning Goal	% to Goal	Current Month (December)	YTD	Planning Goal	% to Goal
Residential Programs												
Residential Prescriptive Subtotal	1,790	10,317	6,635	155%	135,229	816,051	600,352	136%	\$ 195,014	\$ 1,473,606	\$ 1,320,562	112%
Residential Home Insulation	21	315	550	57%	5,418	98,074	160,523	61%	\$ 89,455	\$ 809,897	\$ 1,040,438	78%
Schools	0	9,163	9,000	102%	0	100,976	99,180	102%	\$ 17,306	\$ 293,593	\$ 330,522	89%
Total Residential	1,811	19,795	16,185	122%	140,647	1,015,101	860,055	118%	\$ 301,775	\$ 2,577,095	\$ 2,691,522	96%
Commercial Programs												
Commercial Prescriptive Subtotal	12	198	190	104%	2,355	42,585	47,800	89%	\$ (27,595)	\$ 139,309	\$ 188,887	74%
Commercial Custom	0	4	6	67%	0	14,499	24,810	58%	\$ 2,452	\$ 43,256	\$ 84,336	51%
Total Commercial	12	202	196	103%	2,355	57,083	72,610	79%	\$ (25,143)	\$ 182,565	\$ 273,223	67%
Total Residential & Commercial	1,823	19,997	16,381	122%	143,003	1,072,185	932,666	115%	\$ 276,631	\$ 2,759,661	\$ 2,964,745	93%
Program Outreach and Education									\$ 13,691	\$ 66,362	\$ 325,000	20%
Online Tool Licensing Fees									\$ -	\$ 36,000	\$ 64,000	56%
Portfolio Total	1,823	19,997	16,381	122%	143,003	1,072,185	932,666	115%	\$ 290,323	\$ 2,862,023	\$ 3,353,745	85%

	Homes Weatherized				Gross CCF Savings				Program Expenditures			
	Current Month (December)	YTD	Planning Goal	% to Goal	Current Month (December)	YTD	Planning Goal	% to Goal	Current Month (December)	YTD	Planning Goal	% to Goal
VWP I	58	203	169	120%	15,080	52,780	43,940	120%	\$ 297,488	\$ 1,040,751	\$ 1,103,304	94%
VWP II	45	135	138	98%	14,355	43,065	44,022	98%	\$ 233,582	\$ 964,736	\$ 1,000,740	96%
Total	103	338	307	110%	29,435	95,845	87,962	109%	\$ 531,070	\$ 2,005,487	\$ 2,104,044	95%

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Summary: Correspondence Letter to Barcy McNeal regarding Testimony Exhibits electronically filed by Ms. Jamie Williams on behalf of Michael, William Mr.